

FFW CORP PRESS RELEASE

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FFW CORPORATION ANNOUNCES EARNINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

WABASH, INDIANA - - FFW Corporation (the "Corporation") (OTC PINK: FFWC) (**8/7/23 Close: \$39.50**), parent corporation of Crossroads Bank (the "Bank"), announced earnings for the fiscal year ended June 30, 2023.

For the three months ended June 30, 2023, the Corporation reported net income of \$1,343,000 or \$1.19 per common share compared to \$1,523,000 or \$1.33 per common share for the three months ended June 30, 2022. Net interest income for the three months ended June 30, 2023 was \$3,800,000 compared to \$4,071,000 for the three months ended June 30, 2022. The provision for loan losses was \$75,000 for the three months ended June 30, 2023 and \$200,000 for the three months ended June 30, 2022. Total noninterest income was \$1,030,000 for the three months ended June 30, 2023 compared to \$1,075,000 for the three months ended June 30, 2022. Noninterest expense was \$3,349,000 for the three months ended June 30, 2023 and \$3,215,000 for the three months ended June 30, 2022.

For the twelve months ended June 30, 2023, the Corporation reported net income of \$5,698,000 or \$5.03 per common share compared to \$5,721,000 or \$5.00 per common share for the twelve months ended June 30, 2022. Net interest income for the twelve months ended June 30, 2023 was \$15,849,000 compared to \$15,409,000 for the twelve months ended June 30, 2022. The Company recognized a provision for loan losses of \$550,000 for the twelve months ended June 30, 2023 and \$405,000 for the twelve months ended June 30, 2022. Total noninterest income was \$4,005,000 for the twelve months ended June 30, 2023 compared to \$4,441,000 for the twelve months ended June 30, 2022. Noninterest expense was \$13,433,000 for the twelve months ended June 30, 2023 and \$12,933,000 for the twelve months ended June 30, 2022.

The three and twelve months ended June 30, 2023 represented a return on average common equity of 11.30% and 12.26%, respectively, compared to 12.63% and 10.85% for the three and twelve month periods ended June 30, 2022. The three and twelve months ended June 30, 2023 represented a return on average assets of 0.99% and 1.07%, respectively, compared to 1.16% and 1.10% for the three and twelve month periods ended June 30, 2022.

The allowance for loan losses as a percentage of gross loans receivable was 1.23% at June 30, 2023 compared to 1.28% at June 30, 2022. Nonperforming assets were \$2,065,000 at June 30, 2023 compared to \$2,345,000 at June 30, 2022.

As of June 30, 2023, FFWC's equity-to-assets ratio was 8.54% compared to 8.72% at June 30, 2022. Total assets at June 30, 2023 were \$543,245,000 compared to \$534,918,000 at June 30, 2022. Shareholders' equity was \$46,385,000 at June 30, 2023 compared to \$46,648,000 at June 30, 2022. Crossroads Bank exceeds all applicable regulatory requirements to be considered "well capitalized."

Forward Looking Statements

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include expressions such as "expects," "intends," "believes," and "should," which are necessarily statements of belief as to the expected outcomes of future events. Actual results could materially differ from those presented. The Corporation's ability to predict future results involves a number of risks and uncertainties. The Corporation undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this release.

Crossroads Bank is a wholly owned subsidiary of FFW Corporation providing an extensive array of banking services and a wide range of investments and securities products through its main office in Wabash and six Indiana banking centers located in Columbia City, North Manchester, Peru, South Whitley, Syracuse and Warsaw. The Bank also provides leasing services at each of its banking centers. Insurance products are offered through an affiliated company, Insurance 1 Services, Inc. The Corporation's stock is traded on the OTC Markets under the symbol "FFWC." Our website address is www.crossroadsbanking.com. Crossroads Bank, Member FDIC.

FFW Corporation
Selected Financial Information

Consolidated Balance Sheet

	June 30 2023	June 30 2022
	Unaudited	
Assets		
Cash and due from financial institutions	\$ 8,686,057	\$ 7,122,187
Interest-bearing deposits in other financial institutions	4,668,889	48,456,109
Cash and cash equivalents	13,354,946	55,578,296
Securities available for sale	110,063,452	115,717,308
Loans held for sale	80,000	248,000
Loans receivable, net of allowance for loan losses of \$4,852,745 at June 30, 2023 and \$4,342,121 at June 30, 2022	390,544,236	335,672,317
Federal Home Loan Bank stock, at cost	1,289,700	1,289,700
Accrued interest receivable	2,648,368	2,105,470
Premises and equipment, net	8,121,511	8,481,385
Mortgage servicing rights	1,128,019	1,138,165
Cash surrender value of life insurance	10,086,476	9,767,792
Goodwill	1,213,898	1,213,898
Reposessed Assets	109,596	75,025
Other assets	4,604,551	3,630,737
Total assets	\$ 543,244,753	\$ 534,918,093
Liabilities and shareholders' equity		
Deposits		
Noninterest-bearing	\$ 53,267,081	\$ 55,960,708
Interest-bearing	437,700,301	428,550,708
Total deposits	490,967,382	484,511,416
Borrowings	2,100,000	-
Accrued expenses and other liabilities	3,792,808	3,758,195
Total liabilities	496,860,190	488,269,611
Shareholders' equity		
Common stock, \$.01 par; 2,000,000 shares authorized; Issued: 1,836,328; outstanding: 1,126,357 - June 30, 2023 and 1,140,305 - June 30, 2022	18,363	18,363
Additional paid-in capital	10,150,145	9,940,774
Retained earnings	59,406,634	56,384,625
Accumulated other comprehensive income (loss)	(10,588,876)	(7,726,089)
Treasury stock, at cost: 709,971 shares at June 30, 2023 and 696,023 shares at June 30, 2022	(12,601,703)	(11,969,191)
Total shareholders' equity	46,384,563	46,648,482
Total liabilities and shareholders' equity	\$ 543,244,753	\$ 534,918,093

FFW Corporation
Selected Financial Information

Consolidated Statement of Income

	Three Months Ended June 30		Twelve Months Ended June 30	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
Interest and dividend income:				
Loans, including fees	\$ 4,797,377	\$ 3,562,772	\$ 17,404,248	\$ 13,660,543
Taxable securities	483,668	341,548	1,864,881	1,317,675
Tax exempt securities	426,926	423,846	1,804,825	1,652,828
Other	188,303	128,452	548,886	197,815
Total interest and dividend income	5,896,274	4,456,618	21,622,840	16,828,861
Interest expense:				
Deposits	2,095,131	385,508	5,216,815	1,419,669
Borrowings	1,059	200	7,096	201
Total interest expense	2,096,190	385,708	5,223,911	1,419,870
Net interest income	3,800,084	4,070,910	16,398,929	15,408,991
Provision for loan losses	75,000	200,000	550,000	405,000
Net interest income after provision for loan losses	3,725,084	3,870,910	15,848,929	15,003,991
Noninterest income:				
Net gains (losses) on sales of securities	-	-	(3,633)	-
Net gains on sales of loans	15,397	75,450	166,999	523,219
Net gains (losses) on fixed assets	-	-	(20,533)	34,283
Net gains (losses) on sales of REO	18,039	(17,909)	21,105	(6,623)
Commission income	374,866	337,665	1,298,105	1,279,202
Service charges and fees	248,318	275,763	1,052,670	1,135,426
Earnings on life insurance	80,596	77,651	318,684	308,047
Other	292,868	326,669	1,171,991	1,167,426
Total noninterest income	1,030,084	1,075,289	4,005,388	4,440,980
Noninterest expense:				
Salaries and benefits	1,789,700	1,815,040	7,341,502	7,100,728
Occupancy and equipment	314,274	313,309	1,247,099	1,298,461
Professional	146,533	111,887	473,020	448,694
Marketing	83,207	90,882	364,422	394,013
Deposit insurance premium	82,000	38,304	201,968	140,752
Regulatory assessment	8,090	9,074	32,780	37,379
Correspondent bank charges	21,641	22,200	87,714	80,724
Data processing	419,607	337,292	1,655,966	1,584,725
Printing, postage and supplies	57,018	73,382	278,285	293,419
Expense on life insurance	21,785	21,132	87,767	85,128
Contribution expense	8,876	11,676	49,000	65,583
Expense on REO	2,837	5,412	9,377	7,505
Other	393,378	365,584	1,603,767	1,396,052
Total noninterest expense	3,348,946	3,215,174	13,432,667	12,933,163
Income before income taxes	1,406,222	1,731,025	6,421,650	6,511,808
Income tax expense	63,249	207,572	723,754	791,077
Net income	\$ 1,342,973	\$ 1,523,453	\$ 5,697,896	\$ 5,720,731

FFW Corporation
Selected Financial Information

Key Balances and Ratios

	Three Months Ended June 30		Twelve Months Ended June 30	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
Per common share data:				
Earnings	\$1.19	\$1.33	\$5.03	\$5.00
Diluted earnings	\$1.19	\$1.33	\$5.03	\$5.00
Dividends paid	\$1.53	\$0.26	\$2.37	\$1.04
Average shares issued and outstanding	1,126,522	1,141,763	1,131,761	1,143,428
Shares outstanding end of period	1,126,357	1,140,305	1,126,357	1,140,305
Supplemental data:				
Net interest margin **	2.85%	3.15%	3.15%	3.12%
Return on average assets ***	0.99%	1.16%	1.07%	1.10%
Return on average common equity ***	11.30%	12.63%	12.26%	10.85%
	June 30	June 30		
	2023	2022		
Nonperforming assets *	\$2,065,381	\$2,344,693		
Reposessed assets	\$109,596	\$75,025		

* Includes non-accruing loans, accruing loans delinquent more than 90 days and reposessed assets

** Yields reflected have not been computed on a tax equivalent basis

*** Annualized